



Utah's RED HOT Job Market

Resurgence is underway in Utah's economy. Job growth in nonfarm employment is approaching four percent—a stark contrast to the recent recession period between 2001 and 2003. An important barometer of the health of the current expansion is the improvement in employment growth in high-wage industries.


Currently, the estimated average annual payroll wage for all industries in Utah is \$33,000. Among Utah's 19 major private-based industrial sectors, nine consistently show average annual payroll wages above the state's average, while eight have average annual payroll wages below the state's average wages. The industry with the highest average annual wage is utilities at \$75,400. However, it is also the smallest industry in the state with 3,900 workers. The lowest average annual payroll wage is in the accommodation and food service industry at \$12,500. This industry employs 87,600, making it the fourth largest private industry sector for employment.

Historically, at times, two prominent industries construction and healthcare and social assistance wages are slightly above the state average and other times they are below. The public sector's average annual payroll wages are also consistently slightly above the state average.



The past recession hit Utah and the four metro (Salt Lake, Utah, Davis, Weber) counties' high-wage industries hard. In 2000, employment in industries that paid above the state average wage was higher than for those that paid below the state average. This was true for the state and particularly in the metro counties. However, by the end of the recession in 2003, jobs in industries with above-average employment fell by more than 21,000 statewide; and nearly all of this was in the metro counties.

Since the recession ended in 2003, jobs in industries that pay above-average wages have risen by more than 22,000, more than offsetting jobs lost during the recession. The metro area's recovery is slightly behind the rest of the state, adding around 15,000 jobs in high-wage industries. At the same time, jobs that pay below the state average fell only slightly during the recession, but they too have seen a jump in employment since 2003, adding nearly 25,000 jobs statewide, with almost 19,000 in the metro area.

This jump in employment in high-wage industries is an important factor in the currently robust economic recovery in Utah. Another positive result of this high-wage employment growth is the added impact to economic vitality that higher wage jobs bring—more sustainable consumption of goods and services within the economy. 

highlights

Salt Lake City bean counters put a real revenue number to what had been anecdotal discussions of Salt Lake's remodeling and building boom—\$1.1 million—and that's just for three months. In the first quarter of the current fiscal year, the city's building permit budget showed revenue more than double the amount managers had estimated would be generated between this past July 1 and Sept. 30. <http://deseretnews.com/dn/view/0,1249,635168405,00.html>

Funding is in place for the state-of-the-art Real Salt Lake soccer stadium, and construction should begin early in 2006 on the 25,000-seat, \$65-million stadium. <http://deseretnews.com/dn/view/0,1249,635168970,00.html>

Utah's job growth rate continued to accelerate in December, closing out 2005 at one of the fastest rates in the nation. Utah spawned 44,000 jobs in the past year—a growth rate of 3.9 percent from Dec. 2004 to Dec. 2005, according to the Utah Department of Workforce Services.

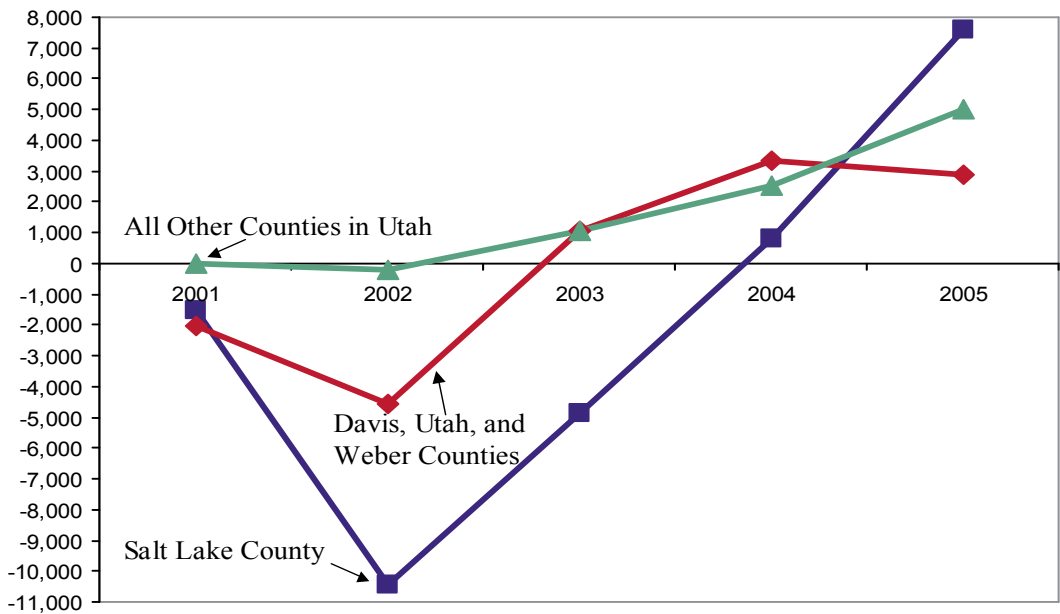
Nationally, job growth was 1.5 percent in the same period. http://www.sltrib.com/business/ci_3412249

Utah's ATK/Thiokol is flying high after receiving a new U.S. Air Force contract that allows it to continue to update and replace the aging motors on the nation's last remaining land-based strategic missile system. The contract was awarded to Northrop Grumman Mission Systems that is serving as the prime contractor for the Minuteman III system upgrade. ATK/Thiokol, as the subcontractor supplying the missile motors, will receive the bulk of the two-year contract's revenue - about \$194 million. http://www.sltrib.com/business/ci_3415890

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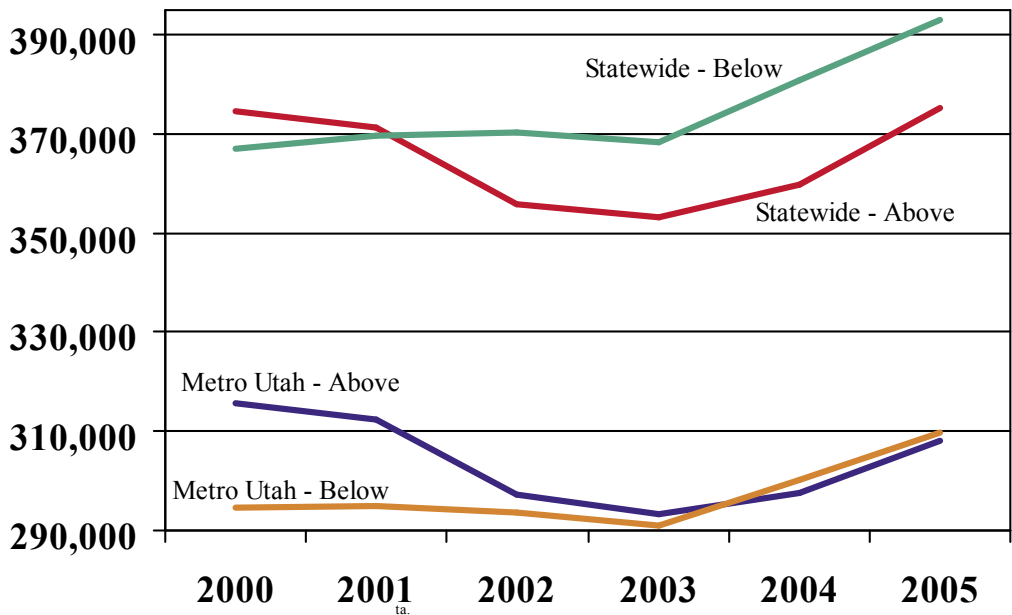
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Numeric Change in Employment for Private Industries Above the State Average Annual Payroll, 2001 -2005*



Source: Utah Department of Workforce Services
Note: Excludes employment in construction and healthcare and social assistance since they are sometimes above and sometimes below the state average. Excludes Government employment.

Employment Growth by Private Industries Above and Below Annual Payroll Average, 2000-2005*



Source: Utah Department of Workforce Services
Note: Excludes employment in construction and healthcare and social assistance since they are sometimes above and sometimes below the state average. Excludes Government employment.